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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/802,088	03/08/2001	Christopher Keith	125469	4943

52531 7590 03/26/2008
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SEATTLE, WA 98101-2347

EXAMINER

BORLINGHAUS, JASON M

ART UNIT	PAPER NUMBER
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3693

MAIL DATE	DELIVERY MODE
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03/26/2008

PAPER

Please find below and/or attached an Office communication concerning this application or proceeding.

The time period for reply, if any, is set in the attached communication.

**Supplemental
Notice of Allowability**

Application No.

09/802,088

Examiner

Jason M. Borlinghaus

Applicant(s)

KEITH, CHRISTOPHER

Art Unit

3693

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address--

All claims being allowable, PROSECUTION ON THE MERITS IS (OR REMAINS) CLOSED in this application. If not included herewith (or previously mailed), a Notice of Allowance (PTOL-85) or other appropriate communication will be mailed in due course. **THIS NOTICE OF ALLOWABILITY IS NOT A GRANT OF PATENT RIGHTS.** This application is subject to withdrawal from issue at the initiative of the Office or upon petition by the applicant. See 37 CFR 1.313 and MPEP 1308.

1. ☒ This communication is responsive to 1/3/08.
2. ☒ The allowed claim(s) is/are 1 - 23, 25 - 26, 28 - 35 and 37 - 53.
3. ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
 - a) ☐ All b) ☐ Some* c) ☐ None of the:
 1. ☐ Certified copies of the priority documents have been received.
 2. ☐ Certified copies of the priority documents have been received in Application No. _____.
 3. ☐ Copies of the certified copies of the priority documents have been received in this national stage application from the International Bureau (PCT Rule 17.2(a)).

* Certified copies not received: _____.

Applicant has THREE MONTHS FROM THE "MAILING DATE" of this communication to file a reply complying with the requirements noted below. Failure to timely comply will result in ABANDONMENT of this application.
THIS THREE-MONTH PERIOD IS NOT EXTENDABLE.

4. ☐ A SUBSTITUTE OATH OR DECLARATION must be submitted. Note the attached EXAMINER'S AMENDMENT or NOTICE OF INFORMAL PATENT APPLICATION (PTO-152) which gives reason(s) why the oath or declaration is deficient.
5. ☐ CORRECTED DRAWINGS (as "replacement sheets") must be submitted.
 - (a) ☐ including changes required by the Notice of Draftsperson's Patent Drawing Review (PTO-948) attached
 - 1) ☐ hereto or 2) ☐ to Paper No./Mail Date _____.
 - (b) ☐ including changes required by the attached Examiner's Amendment / Comment or in the Office action of Paper No./Mail Date _____.Identifying indicia such as the application number (see 37 CFR 1.84(c)) should be written on the drawings in the front (not the back) of each sheet. Replacement sheet(s) should be labeled as such in the header according to 37 CFR 1.121(d).
6. ☐ DEPOSIT OF and/or INFORMATION about the deposit of BIOLOGICAL MATERIAL must be submitted. Note the attached Examiner's comment regarding REQUIREMENT FOR THE DEPOSIT OF BIOLOGICAL MATERIAL.

Attachment(s)

1. ☐ Notice of References Cited (PTO-892)
2. ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
3. ☒ Information Disclosure Statements (PTO/SB/08),
Paper No./Mail Date _____
4. ☐ Examiner's Comment Regarding Requirement for Deposit
of Biological Material
5. ☐ Notice of Informal Patent Application
6. ☐ Interview Summary (PTO-413),
Paper No./Mail Date _____
7. ☐ Examiner's Amendment/Comment
8. ☒ Examiner's Statement of Reasons for Allowance
9. ☐ Other _____

DETAILED ACTION

Acknowledgements

This supplemental allowance is being made for the sole purpose of allowing the examiner to acknowledge additional IDS submitted by the Applicant.

Allowable Subject Matter

Claims 1 – 23, 25 – 26, 28 – 35 and 37 - 53 are allowed.

The following is a statement of reasons for indication of allowable subject matter.

The prior art fails to teach or suggest the limitations of:

- “automatically receiving a request for a short term option, wherein the request for the short term option is received as a result of trading activity of a user without an explicit request for the short term option from the user” (as in Claim 1).

Such limitation is present in all independent claims.

It is old and well known in the art of financial markets to trade options, even short term options, through a computerized trading system. Applicant admits that such practices are old and well known by stating that “[i]n conventional human-directed markets, a market maker will often grant a short-term option to a trader, sometimes for a fee and sometimes as a favor. The market maker is exposing himself or herself to arbitrage by the trader, so is reluctant to grant such stops for more than intervals of time measured in tens of seconds. Due to human reaction times, a stop for a duration of one

second or less is useless, since a human cannot physically take another trading action in such a short time." (see specification, p. 27, lines 3 – 8).

The instant application is distinguished from old and well known practices by automatically requesting for a short term option as a result of trading activity of a user without an explicit request for the short term option from the user and that the short term option has duration of about ten seconds or less.

As further explained by Applicant via dependent claims, this short term option is automatically generated as a result of trading activity, such as when the trader submits a linked order to the trading system (see Claim 25). The execution of a linked order is dependent upon another order as part of a conditional trade (i.e. execution of a first order triggers the execution of a second order). Due to quick-paced fluctuations in the financial market, during the miniscule timeframe in which a trader is executing a first order the market conditions pertaining to a second or subsequent linked order could change.

Using the Applicant's system, whenever a linked order is submitted or other trading activity is performed on the trading system, the system automatically generates a short term option that secures or reserves a price for the execution of the order or each component of a linked order for about ten seconds or less. This short term option freezes the execution price during the miniscule timeframe required by the trading system for additional processing, such as securing execution prices for additional linked orders.

Rosen (US Patent 5,453,601) discloses a method/system for requesting an financial instrument (electronic note/certificate) which has an expiration time (expiration of validity) which may be measured in seconds (see col. 16, lines 21 - 24; col. 21, lines 5 -23). Neither this patent, alone nor in combination with others, discloses nor suggests the feature of automatically requesting for a short term option as a result of trading activity of a user without an explicit request for the short term option from the user.

Hull (Hull, John C. *Introduction to Futures & Options Markets*. 2nd Edition. *Prentice-Hall*. 1995. p. 4) discloses a method/system for requesting a short term option wherein the short term request is generated as a result of trading activity (an explicit request). (see p. 4). Neither this patent, alone nor in combination with others, discloses nor suggests the feature of automatically requesting for a short term option as a result of trading activity of a user without an explicit request for the short term option from the user nor that the short term option has a duration of about ten seconds or less.

Conclusion

Any inquiry concerning this communication or earlier communications from the examiner should be directed to Jason M. Borlinghaus whose telephone number is (571) 272-6924. The examiner can normally be reached on 8:30am-5:00pm M-F.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, James Kramer can be reached on (571) 272-6783. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

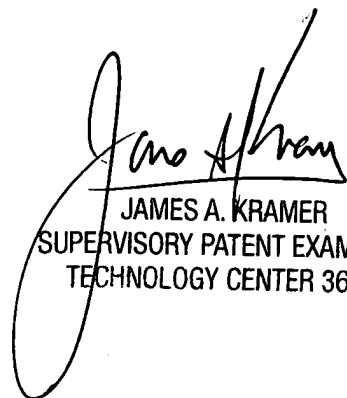
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Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.

Jason Borlinghaus (JMB)

March 20, 2008



JAMES A. KRAMER
SUPERVISORY PATENT EXAMINER
TECHNOLOGY CENTER 3600